This appendix sets out a summary of our Articles of Association, the primary purpose of which is to provide potential **[REDACTED]** with an overview of the Articles of Association. As the information set out below is in summary form, it does not contain all information that may be important to potential **[REDACTED]**.

The Articles of Association and any amendments thereto are adopted or approved by the shareholders at shareholders' general meeting in accordance with applicable laws and regulations (including the Company Law of the PRC, the Securities Law of the PRC, the Guidelines for the Articles of Association of Listed Companies and the Hong Kong Listing Rules) and shall take effect on the **[REDACTED]**.

SHARES

The shares of the Company shall be in registered form.

Neither the Company nor any of its subsidiaries (including its affiliated enterprises) shall provide financial assistance to any person for the acquisition of shares in the Company or its holding company by way of gift, advance, guarantee, borrowing, compensation, loan or otherwise, save for the implementation of employee share ownership plans by the Company.

For the benefit of the Company, the Company may provide financial assistance to any person for the acquisition of shares in the Company or its holding company upon a resolution passed by the shareholders' general meeting, or a resolution passed by the Board of Directors in accordance with the authorization under the Articles of Association or by the shareholders' general meeting, provided that the aggregate amount of such financial assistance shall not exceed ten percent of the total issued share capital of the Company. Any resolution passed by the Board of Directors in this regard shall require the approval of not less than two-thirds of all Directors.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Subject to the requirements of its business operations and development and in compliance with the laws and regulations, the Company may increase its registered capital by way of the following methods upon separate resolutions passed by the shareholders' general meeting:

(1) issue shares to non-specific persons;

(2) issue shares to specific persons;

(3) issue bonus shares to existing shareholders;

(4) capitalization of reserves;

(5) such other methods as prescribed by laws and administrative regulations and approved by the CSRC and the Hong Kong Stock Exchange.

The issue of new shares by the Company to increase capital shall be approved in accordance with the provisions of the Articles of Association and the securities regulatory rules of the place where the Company's shares are listed, and shall be subject to the procedures prescribed by the relevant state laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed.

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the procedures prescribed by the Company Law and other relevant regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The Company shall not acquire its own shares, except under any of the following circumstances:

(1) reduction of registered capital of the Company;

(2) merger with another company that holds shares of the Company;

(3) use of shares for employee share ownership plans or equity incentive plans;

(4) shareholders who object to resolutions of the shareholders' general meeting on merger or division of the Company requesting the Company to buy back their shares;

(5) use of shares for conversion of convertible corporate bonds issued by the Company; and

(6) where necessary for the Company to maintain the Company's value and the interests of the shareholders.

The Company may acquire its own shares through public centralized trading or such other methods as permitted by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the CSRC (if applicable). Where the Company acquires its own shares under circumstances (3), (5) and (6) of Article 25 of the Articles of Association, such acquisition shall be conducted through public centralized trading, subject to compliance with the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Acquisitions of the Company's own shares under circumstances (1) and (2) of Article 25 of the Articles of Association shall be approved by a resolution of the shareholders' general meeting. Acquisitions under circumstances (3), (5) and (6) of Article 25 of the Articles of Association may be approved by a resolution of the Board meeting attended by not less than two-thirds of the Directors, in accordance with the Articles of Association or the authorization of the shareholders' general meeting.

Following any acquisition of its own shares by the Company pursuant to Article 25, such shares acquired under circumstance (1) shall be cancelled within 10 days from the date of acquisition; those acquired under circumstances (2) and (4) shall be transferred or cancelled within 6 months; and for acquisition of shares under circumstances (3), (5) and (6), the total number of the Company's own shares held shall not exceed 10% of the total issued share capital of the Company, and the shares so acquired shall be transferred or cancelled within 3 years.

TRANSFER OF SHARES

Shares of the Company shall be transferred in accordance with the law.

The Company shall not accept its own shares as the subject matter of a pledge.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

Shareholders

The Company shall establish a register of members based on the certificates provided by the securities registration and clearing institution and keep such register at the Company. The register of members shall be conclusive evidence of the holding of shares in the Company. The register of members kept in Hong Kong shall be open to inspection by shareholders, provided that the Company may close the register of members on terms equivalent to those set out in Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Shareholders shall be entitled to rights and subject to obligations according to the class of shares held by them. Shareholders holding the same class of shares shall be entitled to equal rights and subject to the same obligations. The register of members shall record the following particulars:

(1) the names and addresses of the shareholders;

(2) the class and number of shares subscribed for by each shareholder;

(3) the date on which each shareholder acquired his/her shares.

When the Company convenes a shareholders' general meeting, distributes dividends, conducts liquidation or engages in other acts requiring determination of the shareholder identity, the Board of Directors or the convener of the shareholders' general meeting shall determine a record date. Shareholders registered on the record date shall be entitled to the relevant rights and interests.

A shareholder who requests to inspect or copy the information referred to in the preceding paragraph or to obtain relevant materials shall comply with the relevant provisions of the Company Law, the Hong Kong Listing Rules and the securities regulatory authority of the place where the Company's shares are listed, and provide the Company with written evidence of the class and number of shares held. The Company shall provide such information or materials upon verification of the shareholder's identity.

Where a shareholder who has held, alone or jointly with others, 3% or more of the Company's issued shares for 180 consecutive days or more requests to inspect the Company's accounting books and accounting vouchers, the provisions of the second, third and fourth paragraphs of Article 57 of the Company Law shall apply.

The provisions of the preceding two paragraphs shall apply to a shareholder who requests to inspect or copy materials relating to the Company's wholly-owned subsidiaries.

General Provisions for the Shareholders' General Meetings

The shareholders' general meeting of the Company shall comprise all shareholders. The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:

(1) to elect and remove directors who are not staff representatives and to determine matters relating to the remuneration of the relevant directors;

(2) to consider and approve the reports of the Board of Directors;

(3) to consider and approve the Company's profit distribution plan and plan for recovery of losses;

(4) to resolve on increase or reduction in the Company's registered capital;

(5) to resolve on the issue of bonds by the Company;

(6) to resolve on the merger, demerger, dissolution, liquidation or change of form of business of the Company;

(7) to amend the Articles of Association;

(8) to resolve on the Company's appointment or dismissal of accounting firms undertaking audit services of the Company;

(9) to consider matters relating to the purchase and disposal of material assets within a year of a value exceeding 30% of the Company's latest audited total assets;

(10) to consider and approve the change of use of proceeds;

(11) to consider equity incentive scheme and employee stock ownership plan;

(12) to consider other matters required to be resolved by the shareholders' general meeting as prescribed by laws, administrative regulations, department regulations, Hong Kong Listing Rules, other securities regulatory rules in the place where the Company's shares are listed and the Articles of Association, or as agreed by all the shareholders.

The shareholders' general meeting may authorize the Board of Directors to make resolutions on the issue of bonds.

The following external guarantees of the Company shall be proposed to the shareholders' general meetings for consideration and approval after being considered and approved at the Board meeting:

(1) any single guarantee whose amount exceeds 10% of the Company's latest audited net assets;

(2) any guarantee provided after the total amount of the guarantees provided by the Company and its controlling subsidiaries exceeds 50% of the Company's latest audited net assets;

(3) any guarantee provided to the guaranteed object with a debt-to-asset ratio of more than 70%;

(4) any guarantee whose amount exceeds 50% of the Company's latest audited total assets for 12 consecutive months and the absolute amount exceeds RMB50 million;

(5) any guarantee whose amount exceeds 30% of the Company's latest audited total assets for 12 consecutive months;

(6) any guarantee provided after the total amount of the external guarantees provided by the Company exceeds 30% of the Company's latest audited total assets;

(7) any guarantee provided to shareholders, actual controllers and their related persons;

(8) other external guarantees required to be considered and approved by the shareholders' general meeting as prescribed by the laws, regulations, normative documents, Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed or the Articles of Association which shall be complied with by the Company.

External guarantees above that should be approved by the shareholders' general meeting must be considered and approved by the Board of Directors before they are submitted to the shareholders' general meeting for approval. External guarantees other than those mentioned above shall be considered and approved by the Board of Directors.

When a guarantee is considered by the Board of Directors, it shall obtain the consent of more than two-thirds of all directors. When the shareholders' general meeting considers the guarantee in item (5) of the preceding paragraph, it must be approved by more than two-thirds of the voting rights held by the attending shareholders.

When the shareholders' general meeting considers proposals for guarantees provided to shareholders, actual controllers and their related persons, the shareholders in question or the shareholders under the control of the actual controllers shall not participate in the voting on such proposals. The voting on such proposals shall be passed by a majority of the voting rights held by the other shareholders present at the shareholders' general meeting.

The Company may provide guarantees for its wholly-owned subsidiaries, or for its controlling subsidiaries where other shareholders of the controlling subsidiaries provide guarantees in proportion to their equity interests, such guarantees may be exempt from submission for consideration by the shareholders' general meeting if they fall under items (1) to (4) of the first paragraph.

The Company shall convene an extraordinary shareholders' general meeting within two months from the date of the occurrence of any of the following circumstances:

(1) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;

(2) The uncovered losses of the Company reach one-third of its total share capital;

(3) A written request from shareholders who separately or jointly hold 10% or more shares of the Company (excluding treasury shares);

(4) The Board of Directors considers it necessary;

(5) The Audit Committee proposes that such a meeting shall be held;

(6) After the Company appoints independent non-executive directors, more than half of the independent non-executive directors propose to convene such a meeting;

(7) Other circumstances as prescribed by laws, administrative regulations, departmental rules, Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed or the Articles of Association.

Convening of Shareholders' General Meeting

The Board of Directors shall convene the shareholders' general meeting on time within the specified period.

With the approval of a majority of all independent non-executive directors, an extraordinary general meeting may be convened upon proposal by independent non-executive directors to the Board of Directors. For the proposal of independent non-executive directors to convene an extraordinary general meeting, the Board of Directors shall, pursuant to the provisions of laws, administrative regulations, Hong Kong Listing Rules and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal.

When the Board of Directors agrees to convene an extraordinary general meeting, it shall, within five days after the resolution is made, issue a notice calling for the meeting. If the Board of Directors does not agree to convene such meeting, the reasons shall be stated and all shareholders shall be notified in an appropriate manner.

The audit committee is entitled to propose to the Board of Directors to convene the extraordinary general meeting, provided that the proposal shall be made in written form. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal.

When the Board of Directors agrees to convene an extraordinary general meeting, the Board of Directors shall, within five days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the audit committee.

When the Board of Directors does not agree to convene an extraordinary general meeting, or does not provide reply within ten days upon receipt of the proposal, the Board of Directors shall be considered to be unable or fail to perform the duty of convening an extraordinary general meeting. The audit committee may convene and preside over the meeting on its own.

The shareholders who individually or jointly hold 10% or more of the shares of the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting, and shall make such request to the Board of Directors in writing. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the request.

In case the Board of Directors agrees to convene an extraordinary general meeting, the Board of Directors shall, within five days after the Board resolution is made, issue a notice calling for the meeting. Changes to the original request in the notice shall be subject to the approval of relevant shareholders.

In case the Board of Directors refuses to convene an extraordinary general meeting, or does not give any response within ten days upon receipt of the request, the shareholders who individually or jointly hold 10% or more of the shares in the total issued share capital of the Company (excluding the treasury shares of the Company) at such proposed meeting shall have the right to propose to the audit committee for convening of such meeting, and shall make such request to the audit committee in writing.

In case the audit committee agrees to convene an extraordinary general meeting, the audit committee shall, within five days upon receipt of the request, issue a notice calling for the meeting. Changes to the original request in the notice shall be subject to the approval of relevant shareholders.

In case the audit committee fails to give the notice of such a meeting within the specified time limit, the audit committee shall be deemed to have failed to convene or preside over the meeting, in which case, the shareholders who either individually or jointly hold 10% or more of the shares in the total issued share capital of the Company (excluding the treasury shares of the Company) for more than ninety consecutive days may convene and preside over the meeting by themselves.

With regard to the shareholders' general meeting convened by the audit committee or shareholders on its/their own initiative, the Board of Directors and its secretary shall offer cooperation. The Board of Directors shall provide a register of members as of the record date.

If the audit committee or shareholders itself/themselves convene a shareholders' general meeting, the expenses necessary for the meeting shall be borne by the Company.

Proposals and Notification of Shareholders' General Meeting

When the Company convenes a shareholders' general meeting, the Board of Directors, the audit committee and shareholders who individually or together hold 1% or more of the shares of the Company are entitled to put forward a proposal to the Company.

Shareholders, who individually or jointly hold one percent or more of the total issued share capital of the Company (excluding the Company's treasury shares), may submit ad hoc proposals in writing to the Board of Directors ten days before the convening of the shareholders' general meeting. The ad hoc proposals shall include a clear agenda and specify resolution matters. The Board of Directors shall notify the other shareholders and submit such ad hoc proposals to the shareholders' general meeting for deliberation within two days after the receipt of the proposals, unless the ad hoc proposals violate the laws, administrative regulations the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or provisions of the Articles of Association, or do not fall within the scope of the shareholders' general meeting. The Company shall not increase the shareholding percentage for shareholders proposing ad hoc proposals. Before the shareholders' shareholders' general meeting resolution is formed, the shareholding ratio of the shareholder(s) proposing the interim proposal shall not be less than 1% of the Company's total issued share capital (excluding the Company's treasury shares). If the shareholders' general meeting shall be postponed due to the issuance of a supplementary notice of the shareholders' general meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' general meeting shall be postponed pursuant to the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Save as specified above, the convener shall not change the proposal set out in the notice of shareholders' general meeting or add any new proposals after the said notice is served.

The shareholders' general meeting shall not vote or pass resolutions on proposals not listed in the notice of the shareholders' general meeting or resolutions not in conformity with the Articles of Association.

To hold a shareholders' general meeting, a written notice shall be given to each of shareholders 21 days before the date of the shareholders' general meeting, and a written notice of an EGM shall be sent to each shareholder 15 days before the meeting held. When calculating the commencement period, the Company shall exclude the date of the meeting itself.

Holding of Shareholders' General Meetings

All the shareholders listed in the register of members on the record date or their agents shall be entitled to attend the shareholders' general meeting, and exercise the voting rights to speak and vote in accordance with the laws, regulations, and the Articles of Association (unless the shareholder waives its voting right in respect of a specific matter in accordance with Hong Kong Listing Rules).

Shareholders may attend the shareholders' general meeting in person or appoint a proxy (which shall not be a shareholder of the Company) to attend and vote on his/her behalf.

An individual shareholder that attends the meeting in person shall produce his or her own ID card or other valid documents or proof evidencing his or her identity. If he or she appoints a proxy to attend the meeting on his or her behalf, the proxy shall produce his or her own valid proof of identity and the instrument of appointment from the shareholder.

Shareholders who are legal persons shall attend at a meeting by their legal representative or a proxy appointed by the legal representative. If the legal representative attends the meeting, he or she shall produce his or her own ID card and a valid proof of his or her legal representative status. If a proxy has been appointed to attend the meeting, such proxy shall present his or her own ID card and the power of attorney issued by the legal representative of the shareholder as a legal person.

Shareholders who are not separate legal entity shall attend the meeting by the responsible person (in the case of a partnership, the executive partner or the general partner, same interpretation hereinafter) or the proxy appointed by the responsible person. If the responsible person attends the meeting, he/she shall produce his/her identity card or a valid proof of the qualification for his/her identity. If he/she appoints a proxy to attend the meeting, the proxy shall produce his/her identity card and a written power of attorney issued by the responsible person of the shareholder unit according to law.

If a shareholder is a recognized clearing house as defined in the relevant ordinances enacted from time to time under the laws of Hong Kong (or its nominee), the shareholder may authorize the corporate representative(s) or one or more persons as it thinks fit to act as its representative(s) at any shareholders' general meeting; however, if more than one person are so authorized, the proxy form or power of attorney shall specify the number and class of shares in respect of which each such person is authorized, and power of attorney shall be executed by the authorized person of the recognized clearing house. The person so authorized may attend the meeting on behalf of the recognized clearing house (or its nominee) (without being required to present share certificate, notarized authorization and/or further evidence to prove that he/she is duly authorized) to exercise the rights equivalent to those of other shareholders under the law (including the rights to speak and vote) as if he/she was an individual shareholder of the Company.

Voting and Resolutions at Shareholders' General Meetings

Resolutions of shareholders' general meetings are classified as ordinary resolutions and special resolutions.

To adopt an ordinary resolution, more than one-half of the votes represented by the shareholders (including proxies) present at the meeting must be cast in favor of the resolution.

To adopt a special resolution, two-thirds or more of the votes represented by the shareholders (including proxies) present at the meeting must be cast in favor of the resolution.

The following matters shall be resolved by ordinary resolutions at a shareholders' general meeting:

(1) resolutions regarding the issuance of corporate bonds;

(2) the review of the Company's provision of external guarantees;

(3) work reports of the Board of Directors;

(4) the profit distribution plan and loss recovery plan formulated by the Board of Directors;

(5) the appointment, removal, remuneration, and payment methods for members of the Board of Directors;

(6) the annual report of the Company;

(7) any other matters, except those required by laws, administrative regulations, the Hong Kong Listing Rules, or other securities regulatory requirements of the listing jurisdiction, or by the Articles of Association, to be passed by special resolution.

The following matters shall be resolved by special resolutions at a shareholders' general meeting:

(1) amendment to the Articles of Association;

(2) increase in or reduction of the registered capital;

(3) mergers, demerger, spin-offs, dissolution, liquidation, or changes in corporate form of the company;

(4) the purchase or disposal of material assets or provision of guarantees to others by the Company within a year of a value exceeding 30% of the Company's latest audited total assets;

(5) equity incentive plans and employee stock ownership plans;

(6) any other matters as prescribed by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory requirements of the jurisdiction where the Company's shares are listed, or the Articles of Association; and any other matters that the shareholders' general meeting deems to have a material impact on the Company and therefore requires to be passed by a special resolution.

When the shareholders' general meeting considers a matter involving a connected transaction, any connected shareholder shall abstain from voting on such matter, and the number of voting shares it represents shall not be counted towards the total number of votes cast. The resolution of the shareholders' general meeting shall fully disclose the voting situation of the non-connected shareholders.

The procedures for abstention and voting by shareholders with connected interests in the shareholders' general meeting are as follows:

(1) if any matter to be considered at the shareholders' general meeting involves a connected relationship with a shareholder, such shareholder shall disclose the connected relationship to the Board of Directors of the Company prior to the date of the shareholders' general meeting;

(2) when the shareholders' general meeting deliberates on matters involving connected transactions, the chairperson of the meeting shall announce the shareholders with connected relationships and explain the nature of such relationships between the connected shareholders and the connected transaction matters. If a connected shareholder raises an objection, the Board of Directors shall determine whether such shareholder should recuse themselves;

(3) if connected shareholders raise no objection, or if they raise an objection but the Board of Directors of the Company determines that they should abstain from voting, the meeting chairperson shall announce that the connected shareholders abstain, and non-connected shareholders shall consider and vote on the related transaction matters;

(4) if a connected shareholder violates the provisions of this Article by participating in a vote, their votes on matters related to the connected transaction shall be deemed invalid, and a new vote shall be conducted.

(5) a resolution on a connected transaction passed by the shareholders' general meeting shall only be effective if approved by a majority of the voting rights held by the disinterested shareholders present and voting at the meeting. However, if the connected transaction involves the matters stipulated in Article 87 of the Articles of Association, the resolution shall only be effective if approved by not less than two-thirds of the voting rights held by the non-connected shareholders present and voting at the meeting.

Except in special circumstances such as when the Company is in crisis, the Company shall not enter into any contract with any person (other than directors, the general manager, and other senior management personnel) to manage the Company's entire business or material business, unless such contract is approved by the shareholders' general meeting by special resolution.

DIRECTORS

Directors of the Company are natural persons. A person cannot serve as a director of the Company if any of the following circumstances applies, and a director candidate cannot be nominated as a director of the Company if any of the following circumstances applies:

(1) a person without capacity or with restricted capacity for civil acts;

(2) a person who has been sentenced to punishment because of corruption, bribery, infringement of property, misappropriation of property or sabotaging the socialist market economic order; or who has been deprived of his political rights on committing an offence, where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation, and less than two years have elapsed since the date of the completion of the probation review if a suspended sentence is announced;

(3) a person who is a former factory manager, director or manager of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the Company or enterprise;

(4) a person who is a former legal representative of a company or enterprise which had its business license revoked and ordered for closure due to a violation of law and he is personally liable for that, where less than three years have elapsed since the date of the revocation of the business license and the closure ordered;

(5) the person is personally liable for a substantial debt which is due for payment but remains unpaid and has been listed as a person subject to enforcement for trust-breaking by the People's Court;

(6) the person is subject to the securities market access prohibition measures imposed by the CSRC prohibiting from acting as a director and senior management of a listed company for a period which has not yet expired;

(7) the person is publicly identified by the stock exchange as being unsuitable to serve as directors or senior management of listed companies for a period which has not yet expired;

(8) other circumstances as stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or other securities regulatory rules of the place where the Company's shares are listed.

For any election and appointment of a director in contravention of this Article, such election, appointment or employment shall be void and null. Where a director falls into any of the circumstances stipulated in this Article in his term of office, the director shall be removed from office by the Company.

Directors shall comply with laws, administrative regulations and the Articles of Association. Directors shall faithfully perform their obligations to the Company and should take measures to avoid any conflict between their own interests and the interests of the Company, and should not use their powers to gain an improper advantage.

Directors owe a duty of diligence to the Company and shall exercise the reasonable care normally expected of a manager in the best interests of the Company in the performance of their duties.

Where the controlling shareholder or actual controller of the Company does not serve as a director but actually manages the Company's affairs, the provisions of the preceding two paragraphs shall apply.

Directors shall perform their duties of diligence to the Company as follows:

(1) to exercise the rights accredited by the Company in cautious, serious and due diligent manners so as to ensure that the commercial behaviors of the Company are in compliance with the PRC laws, administrative regulations and economic policies, and the commercial activities do not exceed the scope of business stipulated in the business license;

(2) to treat all shareholders in a fair and equitable manner;

(3) to acquire the knowledge of the business operation and management of the Company on a timely basis;

(4) to sign the written confirmation opinion for the Company's periodic reports, and to ensure that the information disclosed by the Company is true, accurate and complete;

(5) to provide the relevant true details and data to the Audit Committee, and not to interfere with the Audit Committee in its exercise of powers;

(6) other duties of diligence stipulated by the laws, administrative regulations, departmental rules, and the Articles of Association.

Directors are prohibited from:

(1) seizing the assets of the Company or misappropriating company funds;

(2) depositing company funds into accounts under their own names or the names of other individuals;

(3) taking advantage of power to accept bribes or other illegal income;

(4) accepting commissions paid by a third party for transactions conducted with the Company for their own benefit;

(5) unauthorized divulgence of confidential information of the Company; and

(6) abusing their connection relationship to prejudice the Company's interests;

(7) any other acts in violation of duties of diligence to the Company as stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the provisions of the Articles of Association.

No Director may take advantage of his/her position to seek any business opportunity that belongs to the Company for himself/herself or any other person. However, except under any of the following circumstances:

(1) to report to the Board or at the general meeting and obtaining approval by a resolution of the Board in accordance with the provisions of the Articles of Association;

(2) the Company is not allowed to take advantage of business opportunity as stipulated by the provisions of laws, administrative regulations or the Articles of Association.

Directors cannot operate a business similar to the business of the Company for the benefit of themselves or others, without reporting to the Board or at the general meeting and without obtaining approval by a resolution of the Board in accordance with the provisions of the Articles of Association.

BOARD OF DIRECTORS

The Board of Directors shall consist of 11 directors, of which no less than one-third shall be independent non-executive directors, and the total number of independent non-executive directors shall not be less than three. The Board of Directors shall have one chairman and may have one vice chairman. The chairman and vice chairman shall be elected by more than half of all directors.

The Board of Directors exercises the following functions and powers:

(1) to convene the shareholders' general meeting, and report its work to the shareholders' general meeting;

(2) to implement the resolutions of the shareholders' general meetings;

(3) to decide on the Company's business plans and investment plans;

(4) to formulate the Company's annual financial budgets and final accounts;

(5) to formulate the Company's profit distribution plan and plan for recovery of losses;

(6) to formulate proposals for increases or reductions of the Company's registered capital, and proposals for the issue of bonds or other securities and listing;

(7) to draft proposals for material acquisition, purchase of the Company's shares, and merger, demerger, dissolution or change of corporate form of the Company;

(8) to decide on external investment, acquisition and disposal of assets, pledge of assets, external guarantee, entrusted financial management, connected transactions, external donations and other matters under the authority granted by the shareholders' general meeting;

(9) to decide on the establishment of the Company's internal management organization;

(10) to decide on appointment or dismissal of the Company's general manager, the secretary to the Board of Directors and other senior management officers; to appoint or dismiss the secretary to the Board of Directors pursuant to the nomination of the chairman; to appoint or dismiss other senior management officers, such as the vice general manager and the chief financial officer of the Company pursuant to the nominations of the general manager; and to determine their remuneration, rewards and punishments;

(11) to formulate the Company's basic management system;

(12) to formulate proposals for amendment to the Articles of Association;

(13) to manage the information disclosure matters of the Company;

(14) to hear the reports of the Company's general manager and examining the work of the general manager;

(15) to propose to the shareholders' general meeting as to the appointment or change of the accounting firm of the Company;

(16) to excise other functions and powers prescribed by laws, administrative regulations, department rules, the Articles of Association, as well as those unanimously agreed by all shareholders or conferred by the shareholders' general meeting.

Matters that exceed the scope of authority granted by the shareholders' general meeting shall be submitted to the shareholders' general meeting for consideration.

The Board of Directors of the Company shall establish relevant special committees as needed. The special committees shall be responsible to the Board of Directors, shall perform their duties in accordance with the Articles of Association and the authority granted by the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and decision. The Board of Directors is responsible for the formulation of the working rules and procedures of special committees to regulate the operation of them.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The number of independent non-executive directors shall not be less than one-third of the Board of Directors, and in any case not less than three, among whom at least one shall be a person ordinarily resident in Hong Kong. Furthermore, at least one independent non-executive director must possess appropriate professional qualifications in line with regulatory requirements, or have appropriate expertise in accounting or related financial management.

SPECIAL COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors of the Company shall establish the remuneration committee, audit committee, nomination committee and other relevant special committees. The special committees shall be responsible to the Board of Directors, shall perform their duties in accordance with the Articles of Association and the authority granted by the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and decision. All members of each special committee shall be directors. The Board of Directors is responsible for the formulation of the working rules and procedures of special committees to regulate the operation of them.

GENERAL MANAGER AND OTHER SENIOR MANAGEMENT OFFICERS

The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors. The Company may have a number of vice general managers, who shall be appointed or dismissed by the Board of Directors. The general manager, vice general managers, chief financial officer, and the secretary to the Board of Directors are the senior management officers of the Company.

The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

(1) to be in charge of the Company's production, operation and management, organize the implementation of resolutions of the Board of Directors, and report to the Board of Directors;

(2) to organize the implementation of the Company's annual business plans and investment plans;

(3) to draft the Company's plan for the establishment of the internal management organization;

(4) to draft the Company's basic management system;

(5) to formulate the specific rules of the Company;

(6) to propose to the Board of Directors the employment and dismissal of the vice general manager and chief financial officer of the Company;

(7) to decide on appointment or dismissal of the responsible management personnel other than those to be appointed or dismissed by the Board of Directors;

(8) to decide on matters other than those required to be approved by the shareholders' general meeting and the Board of Directors as stipulated in the Articles of Association;

(9) to excise other functions and powers conferred by the Articles of Association, the working rules for the general manager or the Board of Directors.

The general manager shall attend the Board meetings.

The secretary to the Board of Directors of the Company shall be responsible for the matters such as preparations for shareholders' general meeting and Board meetings, keeping of documentation and managing shareholders' data, handling information disclosure of the Company. The secretary to the Board of Directors who does not serve concurrently as a director shall be present at Board meetings.

The secretary to the Board of Directors shall comply with laws, administrative regulations, departmental rules, and the Articles of Association.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

The Company shall establish its financial and accounting system in accordance with laws, administrative regulations, and the provisions of relevant state authorities. Where the Hong Kong Listing Rules or the securities regulatory authorities of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

The Company shall prepare its annual financial report within four months from the end of each fiscal year. An interim report shall be prepared within two months from the end of the first half of each fiscal year.

The above annual and interim reports shall be prepared in accordance with the relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules applicable in the place where the Company's shares are listed.

When distributing after-tax profits for the year, the Company shall allocate 10% of such profits to the Company's statutory reserve fund. Where the accumulated amount of the statutory reserve fund has reached or exceeded 50% of the Company's registered capital, no further allocation shall be required.

Where the Company's statutory reserve fund is insufficient to cover losses incurred in previous years, the current year's profits shall first be used to make up such losses before any allocation to the statutory reserve fund is made in accordance with the preceding paragraph.

After the Company has allocated the statutory reserve fund from its after-tax profits, it may, upon resolution of the shareholders' general meeting, further allocate discretionary reserve funds from its after-tax profits.

The remaining after-tax profits, after making up losses and allocating reserve funds, shall be distributed in proportion to the shares held by the shareholders, unless all shareholders unanimously agree otherwise or the Articles of Association provide for distribution not based on shareholding proportions.

Where the Company distributes profits to shareholders in violation of the provisions of the Company Law or the Articles of Association, the shareholders shall return the profits distributed in violation of such provisions to the Company. Where losses are caused to the Company, the shareholders and the directors and senior management personnel responsible shall be liable for compensation.

No profit shall be distributed in respect of shares held by the Company itself.

The Company's reserve funds shall be used to make up the Company's losses, expand the Company's production and operations, or be converted into an increase of the Company's registered capital.

When reserve funds are used to make up the Company's losses, discretionary reserve funds and statutory reserve funds shall first be used; if the losses still cannot be fully covered, the capital reserve may be used in accordance with applicable provisions.

Where the statutory reserve fund is converted into an increase of registered capital, the balance of such reserve fund remaining after the conversion shall not be less than 25% of the Company's registered capital prior to the increase.

The Company's profit distribution policy is as follows:

(1) The Company's profit distribution shall maintain continuity and stability, giving full consideration to the actual interests of shareholders and the Company's long-term interests;

(2) Any proposal to adjust the profit distribution policy shall be reviewed by the Board of Directors and submitted to the shareholders' general meeting for approval;

(3) The Company may distribute dividends in the form of cash, shares, or a combination of cash and shares. Where conditions permit, the Company may also implement interim cash dividends.

(4) The Company's profit distribution shall not exceed the scope of accumulated distributable profits and shall not impair the Company's ability to continue as a going concern.

The Company shall implement an internal audit system, clearly defining the leadership structure, responsibilities and authority, staffing, funding guarantees, application of audit results, and accountability mechanisms for internal audit work. The Company's internal audit institution shall be staffed with full-time auditors who shall conduct internal audit supervision over the Company's business activities, risk management, internal control, financial revenues and expenditures, and economic activities.

The Company's internal audit system and the duties of audit personnel shall be implemented upon approval by the Board of Directors and shall be disclosed to the public. The head of internal audit shall be accountable to the Board of Directors and shall report to it on his or her work.

NOTICES

Notices of the Company may be delivered by the following means:

(1) by designated person;

(2) by mail;

(3) by way of announcement;

(4) by fax, email, text message, electronic data exchange and other forms of data message that can show the described content visibly;

(5) by other means as prescribed by laws, administrative regulations, rules, or the Articles of Association.

With respect to the method by which the Company provides or sends corporate communications to shareholders as required by the Hong Kong Listing Rules, subject to compliance with the laws, regulations, and listing rules of the place of listing and the Articles of Association, corporate communications may be sent to shareholders through the website designated by the Company and/or the website of the Hong Kong Stock Exchange or by electronic means. The aforementioned corporate communications refer to any documents issued or to be issued by the Company for the reference or action of shareholders or other persons as required by the Hong Kong Listing Rules, including but not limited to annual reports (including annual financial reports), interim reports (including interim financial reports and notices of interim reports), reports of the Board (together with balance sheets and profit and loss statements), notices of meetings, listing documents, circulars, and other communication documents. When exercising the power stipulated in the Articles of Association to issue a notice by way of public announcement, such announcement shall be published in accordance with the method prescribed by the Hong Kong Listing Rules.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Capital Reduction

Merger of the Company may take the form of absorption or establishment of a new company.

One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.

In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's merger resolution and shall announce in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of the Company's merger resolution, and shall also announce on the website of The Stock Exchange of Hong Kong Limited and the Company's official website in accordance with the securities regulatory rules of the place where the Company's shares are listed. The creditors may require the Company to repay debts or provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors haven't received the notice.

When the Company is divided, its assets shall be split up accordingly.

In the event of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the Company's division resolution and shall announce in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of the Company's division resolution, and shall also announce on the website of The Stock Exchange of Hong Kong Limited and the Company's official website in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Dissolution and Liquidation

The Company shall be dissolved if:

(1) business term specified in the Articles of Association expires or other dissolution reasons as stipulated in the Articles of Association arise;

(2) a resolution on dissolution is passed by the shareholders' general meeting;

(3) where merger or division of the Company necessitates its dissolution;

(4) where the business license of the Company is revoked, or the Company is ordered to close down, or its registration is canceled, according to law;

(5) there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of the shareholders and there is no other way to resolve, shareholders who hold an aggregate of over ten percent of the whole voting rights can make a petition to the people's court to dissolve the Company.

On the occurrence of the events of dissolution set out in the preceding items, the Company shall make an announcement on the National Enterprise Credit Information Publicity System within 10 days.

If the Company is dissolved under items (1), (2), (4) or (5) of Article 185 of the Articles of Association, it shall be liquidated. The Directors, who are the liquidation obligors of the Company, shall form a liquidation committee to carry out the liquidation within 15 days after the occurrence of the cause of dissolution.

The liquidation committee shall be composed of Directors or persons, unless otherwise stipulated in the Articles of Association or otherwise determined by the shareholders' general meeting.

If the liquidation obligors fail to perform the liquidation obligation in time and causes losses to the Company or the creditors, they shall be liable for compensation.

During the liquidation period, the liquidation committee shall exercise the following functions and powers:

(1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;

(2) to notify creditors by notice or public announcements;

(3) to dispose of and liquidate any unfinished businesses of the Company;

(4) to pay outstanding taxes and taxes incurred during the liquidation process;

(5) to settle claims and debts;

(6) to allocate the remaining assets after the Company's debts having been paid in full;

(7) to represent the Company in any civil proceedings.

The liquidation committee shall within 10 days of its establishment send a notice to creditors, and within 60 days of its establishment make a public announcement on a newspaper or on the National Enterprise Credit Information Publicity System. The creditors may declare their claims to the liquidation committee within 30 days from the date they receive such notice or within 45 days from the date of announcement if no such notice is received.

When declaring the claims, the creditors shall specify the relevant matters about the claims and provide evidences. The liquidation committee shall register such claims.

During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

The liquidation committee shall, after examining the Company's assets and preparing the balance sheets and an inventory of assets, formulate a liquidation plan and present it to the shareholders' general meeting or the relevant governing authority for confirmation.

The remaining property of the Company, after paying the liquidation expenses, wages owed to employees of the Company, social insurance expenses and statutory compensation, outstanding taxes and debts of the Company, shall be distributed to shareholders in proportion to the number of shares held by them or in such other proportion as unanimously agreed by all shareholders.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to liquidation. The property of the Company shall not be distributed to the shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

If the liquidation committee, having examined the Company's assets and having prepared a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to pay its debts in full, it shall immediately apply to the people's court for insolvency and liquidation.

After the people's court accepts an application for insolvency, the liquidation committee shall turn over any matters regarding the liquidation to administrator appointed by the people's court.

Following the completion of liquidation, the liquidation committee shall prepare a report on liquidation, submit it to the shareholders' general meeting or the people's court for confirmation, and submit it to the company registration authority and apply for cancellation of registration of the Company.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Articles of Association shall be amended under any of the following circumstances:

(1) after the amendment of the Company Law or relevant laws, administrative regulations, the Hong Kong Listing Rules or other securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association conflict with the provisions of the amended laws, administrative regulations, the Hong Kong Listing Rules or other securities regulatory rules of the place where the Company's shares are listed;

(2) there has been a change to the Company, resulting in inconsistency with the contents in the Articles of Association;

(3) the shareholders' general meeting decides to amend the Articles of Association.